

FISCAL NOTE

SB 3540 – HB 3381

March 5, 2006

SUMMARY OF BILL: Prohibits the operation of any school bus to transport pupils to and from school unless such bus is equipped with a video recording system that monitors school transportation and student discipline.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$2,116,000 One Time FY07-08
Exceeds \$100,000 Recurring FY07-08

Increase Local Govt. Expenditures* - \$4,232,000 One-Time FY06-07

Increase Local Govt. Revenues - \$2,116,000 One-Time FY07-08
Exceeds \$100,000 Recurring FY07-08

Assumptions:

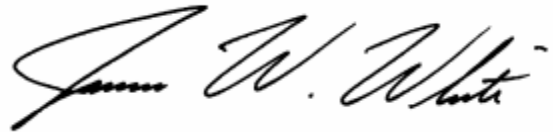
- Since bus and transportation costs are incurred locally, LEAs would be responsible for purchasing and installing the video surveillance equipment.
- Since some buses in the state already have video surveillance equipment, this would most likely occur in the urban areas.
- Costs for video recording systems range from \$57 for an inexpensive standard resolution dome camera, to \$800 for a VCR recording system, and \$2,100 for a digital recording system.
- Installation for one of the more comprehensive systems could cost an additional \$200 to \$500 per video recording system.
- Based on the FY2004-05 Department of Education Annual Statistical Report, there are 8,464 buses operated in the state for public school transportation.
- If only one-half of these buses need video recording systems installed, then installing systems on approximately 4,232 buses (using an average cost of \$1,000 per bus) could result in an increase in local government expenditures of approximately \$4,232,000. In addition, there could be yearly maintenance costs on the systems plus additional video recording systems for newly purchased buses.

- In year one this would be a cost to local governments, but in year two. the BEP would increase due to the increase in the amount of transportation expenditures which would become a part of the BEP formula.
- Over a three-year period, the state cost would increase by 50% of the total, or approximately \$2,116,000.
- LEAs would receive more state funds due to additional funds being generated through the BEP; however, local revenues would not be expected to increase.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director